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Supplement

Central Eurasia

Economic Review

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Economic Review

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Economic Review

Late Sep Price, Production Statistics

954Q0003A Moscow DELOVOY MIR in Russian 28 Sep 94 p 4

[Report based on data of Russian State Committee for Statistics: "Production Output and Price Dynamics on 20 September"]

[FBIS Translated Text] **Prices of Consumer Goods and Services.** *The index of consumer prices of goods and services for the week of 14-20 September 1994 was 102.0 percent, including figures of 101.1 percent for foods, 101.7 percent for non-food items, and 105.9 percent for paid services for the population.*

The highest rise in consumer prices during the week was recorded in cities of the central region (2.7 percent), and the lowest was in East Siberia (0.5 percent).

The price index for goods and services in the consumer market was the following:

Categories	in % of previous date			average daily price rise	
	6 Sep	13 Sep	20 Sep	September	August
Consumer goods and services	101.6	101.4	102.0	0.24	0.13
foods	101.0	101.3	101.1	0.16	0.00
non-food items	101.9	101.6	101.7	0.24	0.17
paid services	103.1	101.2	105.9	0.49	0.37

The increase in the prices of goods and services since the beginning of the month amounted to 5.0 percent, including 3.3 percent for foods, 5.0 percent for non-food items, and 10.3 percent for paid services.

The anticipated increase in prices of goods and services in September is around 7 percent.

Consumer prices have doubled since the beginning of the year, including a 1.8-fold to 1.9-fold increase in the prices of goods and a 5.5-fold increase in service rates.

Foods. Prices in the organized trade network rose 1.4 percent between 14 and 20 September, and prices in unorganized trade declined by 1.8 percent.

The changes in prices during the week for the main groups of commodities are presented below (in percentages):

Groups	Total	Organized trade	Unorganized trade
All foods	101.1	101.4	98.2
meat and meat products	101.3	101.4	100.4
fish and fish products	101.3	101.4	99.9
milk and dairy products	100.9	100.9	101.1
bread and baked goods	101.9	101.9	100.0
cereal and noodles	102.5	102.4	104.4
vodka	101.3	101.3	102.0
produce, including potatoes	96.4	97.0	95.4

In the organized trade network the prices of produce continued to decline (3 percent during the week). The prices of some types of bread and baked goods, some types of noodles and cereals, and sugar rose 2-3 percent, and the prices of flour, eggs, and vegetable oil rose 5-6.6 percent. The highest rise in food prices (a 1.4-fold to 2.5-fold increase) was recorded in Yekaterinburg, Chelyabinsk, and Blagoveshchensk for flour, in Kirov, Izhevsk, and Cherkessk for vegetable oil, and in Pskov, Kaluga, Orel, and Stavropol for eggs.

Since the beginning of the month the prices of sugar, eggs, and flour have risen 11-15 percent, the prices of bread, baked goods, noodles and cereal, and salt have risen 8-10 percent, the prices of meat and dairy products have risen 4-5 percent, and vegetable prices decreased by 12 percent.

Since the beginning of the year the prices of bread and baked goods have increased 2.9-fold, the price of salt has increased 3.8-fold, the prices of meat and dairy products have increased 2.3-fold, and the increase in the prices of fish, meat, and their products has ranged from 1.7-fold to 1.9-fold.

In unorganized trade seasonal produce price reductions continued, just as they did in the organized network. The prices of vegetable oil, flour, and eggs, however, rose 7-8 percent in markets during the last week.

The cost of the set of 19 staples rose 0.6 percent during the week and amounted to 62,000 rubles a month on 20 September. Magadan was still the most expensive city (163,900 rubles), and Ulyanovsk was the least expensive

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(40,000 rubles). The group of products cost 4.1 times as much in the former as in the latter. In Moscow and St. Petersburg the cost was 71,600 and 65,500 rubles (ranking 29th and 38th respectively).

Non-Food Items. Price increases for non-food items were approximately the same as during the previous week. The highest increases were recorded for children's goods and synthetic detergents—2.7-4.4 percent, and for matches and some types of fuel—7-9 percent.

The prices of footwear, fabrics, sewn garments, and knitwear have risen 4-5 percent since the beginning of the month, and medicine prices have risen 7.6 percent.

The prices of medicine and fuel for the population are 3.8-4 times as high as they were at the beginning of the year, and clothing and footwear prices are 1.7-1.9 times as high.

Paid Services. The Ministry of Railways' 1.5-fold price hike in train fares on long-distance runs on 17 September raised the rates of paid services for the population considerably during the past week (5.9 percent). Electricity rates also rose at a higher rate (9.6 percent).

Since the beginning of the month the cost of the main types of housing and utilities and fees for child care services have risen 9-15 percent, and train fares on long-distance runs have risen 43 percent.

The cost of municipal housing is 18 times as high as it was at the beginning of the year, hot water rates are 13 times as high, and the cost of interurban telephone calls and transport services are 5-7 times as high.

Producer Prices of Manufactured Goods. The producer price index for manufactured goods in August was 106 percent and was the lowest since the beginning of the year. Prices in industry have risen a total of 2.2 times in the first eight months of this year (5.5 times during the same period in 1993).

In August the increase in enterprise prices of consumer goods was almost the same as the increase in the prices of capital goods. The highest rise in the prices of consumer goods was for the products of light industry. The prices of cotton print and satin fabrics and some types of knitwear rose 14-16 percent, and the prices of silk and linen fabrics rose 24-28 percent.

Price increases in most of the branches of industry producing capital goods remained moderate in August:

Branches	Aug 94 in % of Jul 94	Aug 94 in % of Dec 93
All industry	106	220
electrical power engineering	109	276
fuel industry	102	219
ferrous metallurgy	109	226
nonferrous metallurgy	105	216
chemical industry	105	250
petrochemical industry	105	224
machine building	106	218
timber, woodworking, and pulp and paper industry	110	237
construction materials industry	107	233

Energy prices rose by an average of 4 percent in August. The rise in the prices of products of the fuel industry was 2 percent and was lower, just as it had been in July, than in other branches of industry. The prices of the products of fuel and energy branches are 2.3 times as high as they were at the beginning of the year (in December 1993), including 2.3 times in oil production, 1.8 times in oil refining, 2.5 times in the coal industry, and 2.8 times in electrical power engineering.

The prices of the main material and technical resources acquired by enterprises of the fuel and energy branches are 2.1 times as high on the average as they were at the beginning of the year, including 3.4 times in oil production, 1.9 times in oil refining, 2.3 times in the coal industry, and 3.5 times in electrical power engineering. The higher rise in expenditures on the extraction of energy resources at a time of declining demand for them in the domestic market lowered the profit margin in fuel and energy branches. The profit margin in electrical energy production in the second quarter this year was 18 percent (31 percent in 1993), and oil extraction was unprofitable (the profit margin was 19 percent in 1993). Losses in coal mining increased from 10 percent in 1993 to 18 percent in 1994.

There is still a substantial difference between the producer prices of the main types of energy resources and the consumer prices of these resources. The cost of gas extraction at the end of August was 6,400 rubles per 1,000 cubic meters, and the acquisition price for industrial enterprises was 59,000 rubles, for example, and the corresponding figures for other resources were 76,000 and 92,000 rubles for a tonne of oil, 19,000 and 44,000 rubles for energy-producing coal, and 30,000 and 101,000 rubles for coking coal. One of the main reasons for the differences in producer and consumer price levels is the rise in taxes, supply and sales surcharges, and the cost of transporting energy resources to the consumer. According to the data of the Russian Ministry of Fuel

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and Energy, taxes now represent around 50 percent of the price of gas and up to 85 percent of the prices of oil and petroleum products. Shipping costs represented 57 percent of the consumer price of energy-producing coal in August this year, 35 percent of the price of coking coal, and 25 percent of the price of fuel oil. On the average, transport expenditures represented 16 percent of the prices of all resources acquired by industrial enterprises in August this year.

The structure of the prices of products of fuel and energy branches is still changing. The price correlation for energy-producing coal and natural gas, the main raw materials in electrical power engineering, is not the same as it was last December. In August this year the price of gas was 30 percent higher than the price of coal, which is virtually the same as the correlation in the world market.

Price correlations for energy resources and other goods in the domestic market also approached the figures in the developed countries. Energy resources were still relatively inexpensive, however, in comparison with other types of products. The amount of food (beef, butter, potatoes, and sugar) a consumer in the domestic market could buy for the price of a tonne of oil was equivalent to only one-third or one-fourth of the amount in the world market.

The price index for agricultural products sold by procurement organizations in August was 99.2 percent of the July figure, including figures of 67 percent for vegetables and 103 percent for animal husbandry products. Seasonal price decreases continued in farming, as well as in the consumer market. The price of cucumbers was 21 percent lower in August, for example, and the price of tomatoes was reduced by half. The prices of animal husbandry products, which had remained stable from April to July this year, began to rise in August. Changes in the sale prices of animal husbandry products since the beginning of this year are presented below, in percentages of the previous month:

Month	All animal husbandry products	Livestock and poultry*	Milk	Eggs
January	114	109	116	125
February	112	110	118	109
March	103	104	104	99.3
April	100.9	100.3	99.6	105
May	100.7	107	96	98
June	100.4	108	96	96
July	99.2	100.4	97	104
August	103	100	105	105

* Live weight.

Livestock and poultry prices were 1.5 times as high as in December 1993, milk prices were 1.3 times as high, and egg prices were 1.4 times as high. The average sale price for livestock and poultry (live weight, including subsidies) in August was 917 rubles per kilogram, with corresponding figures of 139 rubles for a liter of milk and 698 rubles for 10 eggs.

The process of setting and coordinating purchase prices continued in August this year while grain purchases from the new harvest remained small. The actual price of a tonne of wheat purchased in Krasnodar Kray for the federal supply was 185,000 rubles, and wheat purchased for the regional supply cost 155,000 rubles; wheat purchased for the federal supply in Rostov Oblast cost 140,000-150,000 rubles, wheat purchased for the regional supply in the Adyge Republic cost 103,000 rubles, and wheat purchased for the regional supply in Voronezh Oblast cost 75,000 rubles.

Prices of Capital Investments and Construction and Installation Work. During the month the prices of capital investments and construction and installation work rose 4 percent and 5 percent and were 2.4 times and 2.7 times as high as they had been in December. The prices of the main building materials, elements, and structures acquired by construction organizations rose 8 percent during the month. There were larger increases in the prices of sand, gravel, mortar, cement, and mineral wool slab.

The changes in purchase price correlations for the main building materials in comparison with the price of ceramic brick throughout Russia are presented below in percentages:

Materials	Dec 93	Jun 94	Jul 94	Aug 94
Ceramic brick	100.0	100.0	100.0	100.0
Corrugated flashing and roofing tile	18.1	56.0	45.9	48.2
Commercial concrete	38.7	40.7	35.9	49.3
Mortar	32.7	33.8	29.6	38.9
Cement	29.5	30.8	28.7	38.0
Gravel	7.8	9.8	8.9	11.5
Sand	4.3	4.0	3.7	5.3
C&I design steel structures	519.3	365.1	361.0	586.2
Window glass	2.3	1.8	1.5	2.0

The change in the price correlations for building materials in the consumer market also reflected a comparative rise in the prices of materials used in private construction (lumber and cement).

Freight shipping rates were 9 times as high on the average in January-August this year as they had been in January-August last year (producer prices of manufactured goods increased 6-fold during this period), including 12 times for rail transport, 8.5 times for air freight, and 8 times for motor transport. Passenger fares in August this year were 4.8 times as high as in December

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last year (the rates for paid services in general were 4 times as high). There were particularly perceptible rises in fares on streetcars—7.3 times, internal waterway transport—6.8 times, trolleybuses—6.6 times, motor vehicles—5.3 times, including 6.3 times on municipal routes, railroads—5 times (including 5.7 times for commuter trains and 4.7 times for long-distance fares), and subways—4.9 times. The lowest increase during this period was in air fares—2.5 times.

Industry. The average daily output of the 163 types of products recorded in regular reports in the first 18 days of September 1994 in comparison with the same period in August 1994:

—*increased for 93 items* (including electricity, gas, iron ore, A/C motors, metal-cutting tools, including those with numerical programming, woodworking lathes, forging and pressing equipment, freight cars and passenger coaches, trolleybuses, motorized cranes, bulldozers, road graders, tractors, grain combines, rolling-contact bearings, synthetic ammonia and rubber, nitrogen and phosphate fertilizers, sulfuric acid, lumber, paper, cardboard, glazed ceramic tiles for interior walls, asbestos, window glass, videocassette recorders, television sets, knitting machines, cotton and woolen yarn, fabrics of all types, hosiery and knitwear, footwear, meat, canned meat and vegetables, cereal, flour, bread and baked goods, granulated sugar, tea, filtered and nonfiltered cigarettes, household and facial soap, and toothpaste), or 57 percent of the total;

—*decreased for 67 items*, or 41 percent of the total;

and in comparison with the same period in September 1993:

—*increased for 27 items* (including gas, diesel engines and diesel generators, municipal telephone cable, freight cars and passenger coaches, trailers and semitrailers for trucks, front-wheel drive passenger cars, electric locomotives, grain combines, synthetic ammonia, nitrogen and potassium fertilizers, soda ash, synthetic dyes, asbestos cement pipes and sleeves, video cassettes, school notebooks, synthetic detergents, mineral water, table salt, and shaving cream), or 17 percent of the total;

—*decreased for 133 items*, or 81 percent of the total.

Groups of products ranked in terms of the amount of decrease (or increase) in the average daily output are presented below:

Categories	in comparison with Sep 93	in comparison with Aug 94
Decrease	133	67
under 10 percent	11	39
10-20 percent	20	11
20-30 percent	21	9
over 30 percent	81	8
Increase (100 percent or more)	27	93
Not produced	3	3

The output of the main products of industry in the first 18 days of September 1994 is presented below:

Products	Output in 18 days of Sep 94	in % of (average daily output)	
		Sep 93	Aug 94
Electricity output of public power plants, billions of kilowatt-hours	33.5	85	107
Oil, including gas condensate, millions of tonnes	14.4	92	99.2
Natural gas, billions of cubic meters	26.4	106	103
Coal, millions of tonnes	10.3	83	95
Steel, millions of tonnes	2.3	86	96
Finished rolled metal products, including exports, millions of tonnes	1.7	89	94
Steel pipe, thousands of tonnes	152	63	90
Large electric machines	74	40	71
Metal-cutting tools	211	50	2.4times
Passenger cars, thousands	37.7	82	99.2
Tractors, thousands	1.4	43	1.8 times
Chemical fiber and filament, thousands of tonnes	5.9	54	91
Mineral fertilizer (100 % nutritive substances), thousands of tonnes	328	103	113

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Products (Continued)	Output in 18 days of Sep 94	in % of (average daily output)	
		Sep 93	Aug 94
Tires for agricultural vehicles, motorcycles, and motor scooters, thousands	783	49	109
Commercial timber, millions of cubic meters	1.5	69	103
Lumber, thousands of cubic meters	403	85	118
Paper, thousands of tonnes	118	94	108
Cement, millions of tonnes	2.1	75	98
Roofing tile, millions of standard tiles	73.6	48	99.7
Building brick, millions of standard bricks	379	74	100
Soft roofing and insulation materials, millions of square meters	26.7	90	93
All fabrics, millions of square meters	59.3	39	116
Hosiery, millions of pairs	10.9	43	106
Knitwear, millions of articles	5.4	44	127
Footwear, millions of pairs	2.5	50	142
Television sets, thousands	51.0	35	115
Radios, thousands	10.3	17	106
Refrigerator-freezers, thousands	103	67	102
Vacuum cleaners, thousands	27.4	36	93
Washing machines, thousands	60.2	53	97
Meat, including by-products of 1st category, thousands of tonnes	81.7	76	111
Whole-milk dairy products, calculated in milk units, thousands of tonnes	298	86	97
Butter and lard, thousands of tonnes	25.3	64	84
Granulated sugar, thousands of tonnes	83.1	74	137

Items recorded in weekly reports which were not produced during this period of September 1994 were forging and pressing equipment with numerical programming, diesel locomotives, and pneumatic cranes.

Harvest. Grain crops on 69 percent of all sown area in Russia had been threshed by 19 September this year, which was virtually the same as last year's figure. The remaining harvest area, excluding summer losses and grain to be used as fodder, is around 15 million hectares, and 11 million (76 percent) are in the Urals and Siberia.

According to estimates, the amount of grain threshed on farms of all categories, including family farms, is around 70 million tonnes (original surrender weight). Agricultural enterprises have accumulated 63.4 million tonnes (an average of 18.4 quintals of grain per hectare), and the figure by this time last year was 78.2 million (20.9 quintals per hectare).

The progress in the harvest of grain crops in Russia by 19 September is presented below:

Categories	1991	1992	1993	1994	Increase in report week	Increase in previous week
Grain crops mown (excluding corn), millions of hectares	51.4	46.0	40.9	37.0	4.7	5.3
in % of sown area	86	80	76	74		
Threshed, millions of hectares	49.5	43.3	37.4	34.4	5.0	5.5
in % of sown area	83	76	70	69		
in % of mown area	96	94	92	93		
Grain yield (original surrender weight), millions of tonnes	81.6	87.6	78.2	63.4	7.3	8.9
Quintals per hectare	16.5	20.3	20.9	18.4		

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Millet has been mown on 479,000 hectares (48 percent of all sown area), and buckwheat has been mown on 783,000 hectares (55 percent). The respective figures in 1993 were 41 percent and 38 percent.

Enterprises accepting grain had received 10.7 million tonnes by 19 September this year, representing 17 percent of the harvest. Purchases for federal and regional supplies amounted to 5.3 million tonnes, including 2.9 million tonnes of wheat and 500,000 tonnes of rye suitable for human consumption. The grain purchase volume by this time in 1991-1993 ranged from 18 to 20 million tonnes (20-26 percent). Farms turned over 5.4 million tonnes of grain for storage, including 1.8 million tonnes of wheat suitable for human consumption.

Fiber flax has been pulled on an area of 104,00 hectares, or 80 percent of the sown area. Sugar beets (industrial) were harvested on 100,000 hectares (10 percent of the sown area), yielding 1.8 million tonnes (178 quintals per hectare); sunflowers for grain were harvested on 241,000 hectares (9 percent), and 391,000 tonnes of seeds were threshed (16.2 quintals per hectare).

Winter crops for next year's harvest have been sown on 10.3 million hectares, which is approximately the same as last year's figure, and fall plowing has been completed on 13.1 million hectares, as compared to 14.9 million in 1993.

DELOVOY MIR Statistics 27 Sep

954E0025A Moscow DELOVOY MIR in Russian 5 Oct 94 p 4

[DELOVOY MIR Statistical Survey: Socioeconomic Situation as of 27 September"]

[FBIS Translated Text]

Prices for Consumer Goods and Services

The consumer price index in September came to 107.7 percent, including that for foodstuffs—105.4 percent, nonfood consumer items—107.2 percent, and paid consumer services—116.1 percent.

During the period from 21 to 27 September 1994 the consumer price index for goods and services was 101.8 percent, including that for foodstuffs—101.4 percent, nonfood consumer items—101.5 percent, and paid consumer services—103.6. The greatest weekly rise in consumer prices was recorded in the cities of Tsentralnyy Rayon (2.6 percent) and the smallest one in Povolozhsk Rayon (1.0 percent).

The price index for goods and services on the consumer market was as follows:

	In percent to preceding date			Average daily price increase	
	13.09	20.09	27.09	September	August
Consumer goods and services	101.4	102.0	101.8	0.25	0.13
Including: Foodstuffs	101.3	101.1	101.4	0.18	0.00
Nonfood consumer items	101.6	101.7	101.5	0.23	0.17
Paid consumer services	101.2	105.9	103.6	0.50	0.37

Since the beginning of the year consumer prices rose by a factor of 2.1, those for foodstuffs increased by a factor of 1.8, for nonfood consumer items they doubled, while the cost of paid consumer services grew by a factor of 5.7.

Foodstuffs

During the period from 21 to 27 September prices in organized trade increased by 1.6 percent, while those in unorganized trade declined by 0.7 percent.

The change in prices during the week for basic commodity groups is indicated below:

	Total	In percent, including:	
		In organized trade	In unorganized trade
All foodstuffs	101.4	101.6	99.3
Including: Meat and meat products	101.3	101.3	101.4
Fish and fish products	101.1	101.2	101.1
Milk and dairy products	101.3	101.1	103.5
Bread/bakery products	101.6	101.6	101.2
Cereal and macaroni products	102.1	102.2	100.3
Vodka	101.9	101.9	100.7
Fruit and vegetables, including potatoes	97.4	97.7	97.0

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The greatest increase in prices in organized trade was noted during the past week on vegetable oil, eggs, sugar, salt, and flour (4-6 percent). Prices for various types of cereal and macaroni products rose by 2-3 percent, while those for potatoes and root crops were up 2-5 percent.

In September the greatest price increase was for eggs and vegetable oil (25-28 percent), flour, sugar, and salt (16-22 percent) and bread/bakery products and macaroni-cereal products (11 percent). Meat and meat products became 5-7 percent more expensive, whereas vegetables were 17 percent cheaper.

Since the start of the year prices for bread/bakery products tripled, while those for salt quadrupled, those for milk and meat and products out of them doubled, and prices for fish and fish products rose by a factor of 1.7.

In unorganized trade there is a marked increase in the rate at which prices are increasing for eggs, milk, and sausage products—5-7 percent a week while prices for vegetable oil are growing 3 percent per week. Prices for fruits and vegetables went down during the week by 2-5 percent.

In September the cost of eggs was up 27 percent, that of sugar 20 percent, and milk and dairy products 12 percent, while meat and meat product prices rose 5 percent.

The cost of 19 essential food items increased in a week by 1.0 percent and on 27 September cost 63,300 rubles [R] for a month's supply. Magadan continues to be the most expensive city (R165,500) while Ulyanovsk is the cheapest (R38,200). Differentiation of the cost of that selection between them amounted to a factor of 4.3. In Moscow and St. Petersburg the selection cost R71,900 and R65,800 (placing them in the 30th and 37th places, correspondingly).

Nonfood consumer items

The rise in prices for nonfood consumer items remained at the level of the two previous weeks. Higher growth rates last week were noted in prices for hosiery, items of children's clothing, wallpaper, and medicines (2-3 percent).

In September prices for footwear, fabrics, and sewn and knit products rose by 6-7 percent, while those for medicines went up 11.2 percent.

Since the beginning of the year prices for medicines quadrupled, while those for clothing and footwear increased by a factor of 1.7-1.9.

Paid consumer services

During the past week growth in rates charged for paid consumer services, as before, were higher than prices for goods. The fare for city transport increased the most (10 percent). In Moscow, St. Petersburg, and Chelyabinsk fares went up by a factor of 1.3-2.1.

In September the greatest increase in fares was recorded in long-distance train travel (by a factor of 1.5) and city transport (by a factor of 1.2). Rates for basic housing and municipal services and household services as well as fees in children's preschool establishments grew by 7-16 percent.

Since the beginning of the year rent for municipal housing in the cities being monitored increased by a factor of 19, the cost of hot water increased by a factor of 13, and tolls for inter-city telephone calls and transport services grew by a factor of 5-8.

The harvest

By 26 September of this year cereal crops from 77 percent of the sown area in Russia have been thrashed, which is about the same as last year. With consideration of the summer destruction of cereal crops and the use of a part of them for fodder, over 9 million hectares remain to be harvested of which 7.4 million hectares (79 percent) are in the Urals and Siberia, including those in Altai Kray—1.3 million hectares (14 percent), Kurgan Oblast, Novosibirsk Oblast, Omsk Oblast, and Chitinsk Oblast—0.6 million hectares each (7 percent), and the Orenburg Oblast—0.5 million hectares (6 percent).

It is estimated that approximately 77 million tonnes of grain (initial thrashed weight) have been thrashed in farms of all categories (initial thrashed weight). A total of 96.5 million tonnes were harvested at the agricultural enterprises (an average of 18.0 centners of grain per hectare), while last year 82.9 million tonnes were harvested (20.4 centners per hectare).

Progress in the harvesting of cereals by agricultural enterprises of Russia as of 26 September is reflected in the following data:

	1991	1992	1993	1994	Weekly increase	
					Current	Previous
Cereal crops mowed (except corn), millions of hectares	53.7	48.6	43.7	40.6	3.7	4.6
In percent of sown area	90	85	81	81		
Thrashed, millions of hectares	52.2	46.4	40.7	38.6	4.2	4.9
In percent of sown area	88	81	76	77		
In percent of mowed area	97	95	93	95		
Grain thrashed (in initial thrashed weight): millions of tonnes	85.0	92.9	82.9	69.5	6.1	7.3
Centners per hectare	16.3	20.0	20.4	18.0		

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Some 572,000 hectares of millet were mowed (58 percent of the sown area) along with polygonum on 947,000 hectares (67 percent of sown area). In 1993 those figures were 53 and 50 percent, correspondingly.

A total of 12.3 million tonnes of grain were delivered as of 26 September of this year to the grain receiving enterprises, which is 16 percent of the total harvest that was gathered. Federal and regional funds purchased 6.7 million tonnes of grain, some 5.6 million tonnes of grain, including edible wheat (1.7 million tonnes) were accepted for storage from the farms.

The harvesting of fiber-flax is nearing completion. Sugar beets have been harvested on approximately a fourth of the area planted with that crop and seed sunflower has been harvested on 17 percent of the area.

Winter crops for harvesting next year have been sown on 11 million hectares, 17.4 million hectares underwent fall plowing, which is somewhat less than a year ago.

Sale of potatoes, fruit and vegetables to federal and regional food funds

It is estimated that as of the middle of September of this year 1.6 million tonnes of potatoes, and around 1 million tonnes of vegetables were sold by agricultural goods producers, including by agricultural enterprises—correspondingly 0.4 million tonnes and 0.7 million tonnes. By-passing the procurement network, they sold approximately three-quarters of all the potatoes and around half of the vegetables.

Purchases of potatoes and fruit and vegetables and their delivery to federal fund consumers is characterized by the following figures:

	Purchased as of 12 Sep 94		Delivered as of 19 Sep 94		Thousands of tonnes. Approximate percent of fulfillment of established volume of delivery as of 1 October 1993
	Total	In percent of 1993	Total	Percent of fulfillment of established delivery volumes	
Potatoes	102	48	46	8	11
Vegetables	419	59	142	22	23
Including: Tomatoes	108	59	33	20	22
Cucumbers	146	72	43	115	104
Cabbage	50	65	24	12	16
Onions	9	20	3	3	2.6
Fruit and berries	45	31	17	28*	25 *
Mellon crops	7.3	36	8	36*	41 *

*Delivery contract

About a fourth of the volume of vegetables stipulated for delivery in the assignment was actually delivered in Moscow, almost half of the assigned volume was delivered in St. Petersburg, and 16 percent in regions of the Far North along with fruit and berries, correspondingly, in volumes of 24, 40, and 42 percent of the actual assigned volume.

	Delivery volumes established for 1994	Delivered by 19 Sep 94	Percent of fulfillment of delivery volumes	Thousands of tonnes. Approximate percent of fulfillment of established volume of delivery as of 1 Oct 93
In Moscow. Potatoes	300	18	6	13
Vegetables	2302.3	72	24	29
Fruit and berries	9.3 *	2.3	24*	20*
In St. Petersburg. Potatoes	60	11	18	8
Vegetables	84.2	36	43	22
Fruits and berries	4.4 *	1.8	40*	14*
In regions of Far North	55 *	12	21*	54*
Vegetables	50 *	8	16*	27*
Fruits and berries	7.6 *	3.1	42*	72*

Deliveries of tomatoes to Moscow were fulfilled by 22 percent and those to St. Petersburg by 25 percent. Suppliers in Astrakhan Oblast and Volgograd Oblast shipped less than a tenth of the projected amount of produce to the capital. Rostov Oblast and Dagestan shipped almost no tomatoes to the consumers.

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At the same time during that period 90,000 tonnes of potatoes from the current year's harvest, 115,000 tonnes of vegetables, and 55,000 tonnes of fruit and berries were sold to the public in Moscow through all channels, which exceeds the volume of their delivery from the federal fund by several times. The potato, fruit and vegetable market is fully saturated.

The navigation period is coming to an end and potatoes and vegetables are yet to be shipped to residents of the Chukotskiy Autonomous Region. A total of only 2-6 percent of that produce arrived in the far northern regions of Arkhangelsk Oblast and the Republic of Yakutia. Not one tonne of potatoes has been delivered to consumers by farms in Ryazan and Tula oblasts. Practically no vegetables are being shipped to them from Rostov Oblast, Krasnodar Kray, and Dagestan.

On the delivery of goods (produce) to regions of the Far North and equivalent areas

A total of 2.9 million tonnes of cargo got shipped to regions of the Far North and equivalent areas by the start of September of this year by maritime transport (55 percent of the volume shipped in the same period last year), along with 15.5 million tonnes of cargo by overland transport (57 percent).

In January-August of this year the federal food funds shipped these regions 49,900 tonnes of meat and meat products (104 percent compared with January-August 1993) and 265,600 tonnes of milk and dairy products (46 percent). Kamchatka Oblast received an amount of meat products from that source which is greater than that received in eight months of last year by a factor of 2.8 and Primorsk Kray—by a factor of 4.4, while dairy products received by Perm Oblast increased by a factor of 5.1, those received by Murmansk Oblast—by 15 percent, and by Primorsk Kray—by 54 percent. These products were imported in Magadan Oblast in amounts of 11 and 3 percent of all such imports, 29 and 14 percent in Sakhalin Oblast, 52 and 32 percent in Tyumen Oblast, 42 and 19 percent in Khabarovsk Kray, and 48 and 26 percent in Yakutia.

As of 19 September 1994 the shipment of basic food items is characterized by the following data:

	Total, thousands of tonnes	Thousands of tonnes	Percentage of total volume	Percent of total received in 1993
Foodstuffs				
Meat and meat products as meat (without canned meat)	115.6	19.8	17	40
Canned meat, mub [Expansion not given]	38.1	10.7	28	32
Milk and dairy products as milk (without butter and cheese)	446.4	70.1	16	55
Butter	24.4	4.5	18	39
Cheese	6.3	1.9	30	49
Vegetable oil	16.8	4.4	26	32
Sugar	86.6	22.9	26	30
Confectionary products	37.1	9.0	24	35
Tea	5.7	2.3	40	37
Macaroni products	21.9	6.7	31	35
Canned fruit and vegetables	mub	123.4	31.4	25
Cereals	56.3	23.0	41	30
Industrial goods				
Petroleum products	6,885.0	2,582.0	38	60
Cement	277.9	129.1	46	30
Ferrous metal bars	231.5	80.3	35	45
Lumber, thousands of cubic meters	269.2	146.5	54	94

The amount of petroleum products that were received in the Evenkiyskiy Autonomous Region increased by a factor of 1.7 as compared with 1993, while that received in Yamalo-Nentetskiy Autonomous Region was up by a factor of 3.8, and the amount of cement and rolled metal received in Karelia increased, correspondingly, by a factor of 3.1 and 3.8.

The supply of most important types of industrial products shrank by comparison with last year in Komi (by 1.5-8 percent compared to 1993), in Murmansk Oblast (10-13 percent), Kamchatka Oblast (by 2-13 percent), Primorsk Kray (by 4-11 percent).

The amount of coal shipped by rail and water transport to regions of the Far North and areas with equivalent conditions by the start of September equalled 7.3 million tonnes, or 97 percent of the projected volume in accordance with contracts for that period. Shortfalls in

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delivery of coal by water transport were 70,000 tonnes in Magadan Oblast, 99,000 tonnes in Kamchatka Oblast, and 57,000 tonnes in the Chukotka Autonomous Region and by rail and water transport 57,000 tonnes in Krasnoyarsk Kray, and 46,000 tonnes in Tyumen Oblast.

Since the start of the navigation season there were no shipments of tea, macaroni products, or cereals to Taymyrskiy Autonomous Region, or butter and vegetable oil, sugar, macaroni products and flour, petroleum products, rolled metal, cement, or lumber to the Chukotskiy Autonomous Region.

On the average wage in branches of the economy

The average wage payable to workers in August of this year totalled R232.8 thousand increasing by comparison with August of last year by a factor of 3.5, or by 5.4 percent compared with July of this year, while consumer prices for goods and services climbed, correspondingly, by a factor of 3.7 and by 4.2 percent.

Data is cited below on the average wage in August of this year.

	Average monthly wage (without material assistance or social benefits)			
	Thousands of rubles	In percent compared to		
		August 1993 (factor of)	July 1994	Subsistance minimum (factor of)
Total	232.8	3.5	105	2.3
In industry	245.0	3.3	107	2.4
Within it				
Electrical engineering	441.3	3.5	104	4.4
Fuel industry	514.8	3.4	105	5.1
Including:				
Oil extracting	592.9	3.1	113	5.9
Oil refining	428.3	3.6	94	4.2
Gas	839.4	3.9	97	8.3
Coal	480.0	3.4	105	4.7
Ferrous metallurgy	270.9	2.7	103	2.7
Nonferrous metallurgy	434.1	3.4	108	4.3
Chemical and Petrochemical industry	205.6	3.1	105	2.0
Machine building and metalworking	183.4	3.3	107	1.8
Forestry, woodworking, and paper and pulp industry	197.7	3.0	107	1.9
Building materials industry	262.5	3.3	109	2.6
Glass and porcelain and faience industry	154.0	2.9	113	1.5
Light industry	119.1	2.5	103	1.2
Food industry	295.4	3.3	106	2.9
Microbiological industry	197.7	2.9	110	1.9
Flour-grinding, cereal and mixed fodder industry	318.2	3.5	103	3.1
Printing industry	237.7	3.8	107	2.3
In agriculture	121.2	2.7	110	1.2
Construction	335.8	3.4	108	3.3
Transport	370.0	3.7	106	3.7
Housing and municipal services; nonproduction types of consumer services	266.2	4.0	108	2.6
Public health, physical training, and social security	185.1	4.3	106	1.8
Education	144.3	4.5	96	1.4
Culture and art	130.8	4.3	102	1.3
Science and scientific services	177.5	4.6	102	1.7
Loan processing and insurance	419.4	3.3	102	4.1
Administrative organs	315.7	4.7	94	3.1

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The monthly rise in wages in August of this year in branches of the material sphere amounted to 7 percent and in the nonproducing sphere it was 2 percent.

Payments of a social nature (material assistance, payments for food, transportation, housing, and the like) per worker increased insignificantly in August by comparison with July of this year and came to R20,900. In loan processing and insurance the indicated payments exceeded the average figure for Russia by a factor of six, in the administrative organs it was triple the average figure, while in construction it was double.

Payments of a social nature are lower than in other branches in agriculture, forestry and public health, amounting to less than R10,000 per worker.

With a 5.4 percent rise in wages in Russia as a whole, in Bryansk Orlov, Tambov, Penza, Ulyanov, and Kamchatka oblasts they grew by 12-15 percent, while in Kurgan Oblast they went up by 20 percent.

On trade in fuel resources with CIS countries

The CIS countries account for 33 percent of the overall exports of Russian natural fuel and as compared with last year it decreased by nine points and for petroleum products these figures are, correspondingly, 10 percent and 16 points. During January-August of this year the export of energy sources to CIS countries appeared as follows:

	January-August 1994			August 1994 in percent of July 1994
	Exported	Percent of fulfilment of annual intergovernmental agreements in January - August	In percent of January-August 1993	
Gas, billions of cubic meters	53.4	—	90	99.1
Coal, millions of tonnes	3.1	—	68	51
Petroleum, millions of tonnes	21.4	84	74	94
Motor vehicle gasoline, thousands of tonnes	492	24	30	by a factor of 4.6
Diesel fuel, millions of tonnes	1.2	42	50	by a factor of 3.4
Fuel oil, millions of tonnes	1.2	46	38	by a factor of 2.1

The lag in fulfillment of annual intergovernmental agreements on the delivery of petroleum products was brought about by nonpayment of sums owed by CIS countries to Russia. In connection with the continuation of harvesting operations, however, the shipment of motor vehicle gasoline and diesel fuel were increased in August of this year, by comparison with July of this year.

In eight months of this year the following volumes were exported to the principal consumers of Russian fuel:

	Ukraine		Belarus		Kazakhstan	
	January-August 1994	In percent of January-August 1993	January-August 1994	In percent of January-August 1993	January-August 1994	In percent of January-August 1993
Gas, billions of cubic feet	41.4	92	9.6	86	0.4	50
Coal, millions of tonnes	2.0	99	0.3	43	0.5	71
Petroleum, millions of tonnes	9.9	88	6.4	74	2.9	45
Motor vehicle gasline, thousands of tonnes	92.2	23	21.8	86	223	32
Diesel fuel, thousands of tonnes	657	64	70.7	96	307	26
Fuel oil, thousands of tonnes	520	39	265	68	105	27

Ukraine, Belarus, and Kazakhstan receive from 75 to 95 percent of all Russian exports of natural fuels and processed petroleum products to CIS countries.

Kazakhstan and Turkmenia exported fuel resources to Russia in January-August of this year. During that period Russian consumers received 3.3 million tonnes of petroleum from Kazakhstan (49 percent of the level last year), along with 15.3 million tonnes of coal (77 percent), and 1.3 billion cubic meters of gas (54 percent), while from Turkmenia they received 1.2 billion cubic meters of gas (67 percent).

The above was compiled on the basis of data from the Russian State Committee on Statistics.

Sep Price Increases Noted

944E1214C Moscow DELOVOY MIR in Russian 22 Sep 94 p 4

[Report by the Center on the Economic State of the Market Under the Government of the Russian Federation, under the rubric "Analysis and Prognoses": "On the Level of Inflation (Over the Period 6 to 13 September)"]

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[FBIS Translated Text] According to the current data of the weekly monitoring of prices by state organs of statistics, over the past week:

the total inflation index measured 101.4 percent; over the period since the beginning of the month it measured 102.9 percent, and since the beginning of the year—doubled;

prices for nonfood items rose faster than those for foodstuffs and for-fee services for the population;

the average cost of the selection of 19 basic foodstuffs amounted to R62,300 calculated on a monthly basis, or 0.7 percent more than a week ago.

General Level of Inflation

Over the period 6 to 13 September inflation measured 1.4 percent. Prices for foodstuffs rose by 1.3 percent, nonfood items—1.6 percent, and for-fee services for the population—1.2 percent.

The greatest increase in prices for goods and services was registered in cities of the North Caucasus and West Siberia regions—by 2.1 percent.

Food Prices

Over the elapsed week food prices increased by 1.3 percent. It should be noted that over the past three months food prices had been rising by no more than 1 percent a week.

Over the period since the beginning of the month, food prices increased by 2.3 percent; the greatest price increases occurred with respect to vegetable oil—by 11.1 percent, eggs—by 8.8 percent, sugar—by 8.4 percent, and flour—by 7.9 percent.

The Cost of the Selection of Basic Foodstuffs

The average cost of the selection of 19 basic foodstuffs as of 13 September amounted to R62,300 calculated on a monthly basis and increased over the week by 0.7 percent; since the beginning of the month it increased by 1.1 percent, and since the beginning of the year—doubled. The cost of this selection at organized trade prices was R60,900 and at nonorganized trade prices—R76,300. The ratio between the cost of the selection in nonorganized and organized trade remained the same as a week ago: a factor of 1.3.

The greatest increase in the cost of the selection was registered in Tyumen—by 11.5 percent.

Prices for Nonfood Items

Prices for nonfood items rose over the period 6 to 13 September by 1.6 percent, and since the beginning of the month—by 3.2 percent. Among monitored nonfood items, prices for matches continued to rise at an anticipatory rate—6 percent over the week. In addition, prices for firewood went up by 5 percent; hosiery—by 3 percent; and footwear, sewn items, and tobacco items—by 2 percent. Price for medicines rose at a slower rate than before. Over the past week they increased by 0.5 percent.

In cities of the Far East, the highest prices in Russia were registered with respect to one in three monitored goods, and in the cities of East Siberia—one in five. Residents of Far East cities have to pay the highest prices in Russia for knitwear, electric home appliances, synthetic detergents, some categories of furniture, and tobacco items. In addition, eight cities in this region are among the 10 top cities in Russia with the highest prices for gasoline (from R440 per liter in Yakutsk to R940 in Petropavlovsk-Kamchatskiy, with the average Russian price being R337). The population of East Siberia pays the highest prices in Russia for sewn items, footwear, and matches.

Average Cost of the Selection of 19 Most Important Foodstuffs Constituting the Basis of Population's Weekly Purchases (as of the end of period, in rubles per person)

	Cost per month	Rate of increase in the selection cost, in percents, in relation to		
		previous month	December 1993	previous registration
December 1993	30,724	-	-	-
1994				
January	37,547	122	122	-
February	41,277	110	134	-
March	44,278	107	144	-
April	47,579	107	155	-
May	53,977	113	176	-
June	57,391	106	187	-
July	62,144	108	202	-
August	61,610	99	201	-
September (as of 13 September registration)	62,300	101	203	101

Late Sep Statistics on Energy Prices

954Q0001A Moscow DELOVOY MIR in Russian 28 Sep 94 p 2

[Unattributed article: "The Fuel and Energy Complex: September Prices"]

[FBIS Translated Text] The Center for Study of Economic Conditions of the Russian Federation reports that on the basis of operational data released by state statistical organs, the following occurred in the first half of September:

—the level of inflation and the rise in average prices of all producing enterprises for main types of energy

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resources were about the same and came to 2.9 and 2.8 percent, while in the period from the start of this year the inflation index rose somewhat more slowly than the rate at which the price of energy resources increased—by a factor of 2 and 2.4 correspondingly;

—rates for electric power continued to rise faster (3.9 percent) than prices for products of the oil refining industry (2.1 percent) and for raw energy sources (1.7 percent);

—the rate of increase in prices of enterprises producing motor vehicle gasoline was double that of the rise in retail prices for it.

More detailed data are cited below.

Against a background of relative stability of prices for petroleum products in August, a substantial increase in them was noted in the first half of September. There was a marked rise in prices for lubricants—6.4 percent, fuel oil—3.3 percent, and asphalt—2.5 percent.

The average prices of enterprises making petroleum products are quite different in various economic regions for the same products. The gap in prices for fuel oil, for instance, amounted to a factor of 2.8. In the Far Eastern region, for example, the price of one tonne is R141,000; in the East Siberian region it is R51,000 with the average price in Russia being R64,000. This difference in prices for lubricants (R854,000 in the Northwestern region and R331,000 in the Volga region, with the average price in Russia being R408,000 per tonne) and for asphalt (R157,000 in the Far Eastern region and R60,000 in the Central region with the average price in Russia being R75,000) amounted to a factor of 2.6.

Since the beginning of the year the greatest increase in prices was for lubricants, which grew by a factor of 2.5. Price for fuel oil and asphalt more than doubled, and those for motor vehicle gasoline and diesel fuel rose by a factor of 1.7.

The largest gap in price levels for consumers and producers of gasoline was noted at enterprises of Volgograd Oblast (by a factor of 3.1) and of Moscow (by a factor of 3). The smallest gap was at enterprises of Orenburg Oblast (by a factor of 1.8).

In the first half of September a rise in rates for electric power was noted in West Siberian region—by 15.3 percent (including Kemerovo Oblast—by a factor of 1.8), in North Caucasus region—by 8.9 percent (including the Karachayevo-Cherkess Republic—by a factor of 1.6, the Adygey Republic and Krasnodar Kray—by a factor of 1.3), Volgo-Vyatka region—by 7.8 percent (including Nizhniy Novgorod Oblast—by a factor of 1.2). Rates remained practically at the August level in the north, northeast, central Chernozem, east Siberian and Far East economic regions.

On the average the cost per thousand kilowatt-hours of electric power came to R55,000 in the Russian Federation. The highest rates were recorded at electric power stations in the central Chernozem region at R65,000, while the lowest rates were found at electric power stations in the western Siberian region—R26,000.

Institute of Economic Analysis Briefing

944E1214B Moscow DELOVOY MIR in Russian 22 Sep 94 p 1

["Own Information" report: "Inflation Potential Growing"]

[FBIS Translated Text] For about two years the Working Center for Economic Reforms held briefings, popular among domestic and especially foreign journalists, on the current economic situation in the country. They were held by prominent economists-analysts Andrey Illarionov, Richard Leyard (London), and their colleagues at the center. From now on such briefings will be conducted by the just-organized Institute of Economic Analysis and Economic Research Center of the London School of Economics.

The new institute's director, A. Illarionov, said at the briefing on Monday that the institute is an independent nonprofit organization engaged in analysis of the macroeconomic situation in the country and macroeconomic policy. Its staff consists of only about 15 economists and other staff members. Briefing attendees were presented with the current monthly issue of RUSSIAN ECONOMIC TRENDS—a quarterly analytical-statistical magazine well known in economist circles.

Commenting on the statistical data for January-August 1994, both organizers of the briefing pointed out that despite having achieved a decline in the inflation rate, the danger of a rise in it persists. Russia, which in the past set the example in moving along the road of financial stabilization, is now falling behind its neighbors such as Ukraine, Kirgizia [Kyrgyzstan], and Moldavia [Moldova] in this endeavor, and over the past few months even behind Azerbaijan and Armenia.

Leaving other factors aside, the threat comes first and foremost from an obvious relaxation of the monetary policy. In July the federal budget deficit increased to 15-17 percent of the gross domestic product, and Central Bank credits increased by 14 percent (the main direction of expenditures: the economy and maintenance of the administrative apparat). Summarily R25 trillion in credits has already been issued since the beginning of the year, and since the parliament set a limit of R36 trillion on credit issuance, that leaves only R11 trillion until the end of the year.

The briefing organizers believe that a serious factor in the exacerbation of the inflation threat is the policy of the Central Bank, which is actively buying up foreign currency: Since February it has spent R8 trillion on this purpose, which resulted not only in a drop in the exchange rate of the national currency but also became one of the sources of money supply growth. Overall, while the M2 money supply (this aggregate includes cash

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in circulation, demand deposits, and time deposits) over the first few months of the year continued to grow at a moderate rate, in June the rate of increase rose to 14 percent, and in July—by another 14 percent. It is not yet clear how inflation will behave in such circumstances, but experience shows that the inflation curve usually follows the money supply curve with a four-month lag. This indicates that higher inflation is almost inevitable by the end of the year.

Another factor that at this point is impossible to predict is how the increase in the budget deficit (as a result of the inevitable decline in tax collection) and price increases in the "third" sectors will be affected by the recently concluded cartel agreement between the fuel and power generation complex, metallurgy, and the railroads. Actually, answering our correspondent's question regarding the consequences of this agreement, A. Illarionov said that he does not believe in its longevity.

Early Oct Inflation Figures Cited

MM1310124594 Moscow ROSSIYSKAYA GAZETA in Russian 12 Oct 94 p 3

[Report "based on figures from the Russian Federation Government Center for the Economic Situation Prices Analysis and Forecasting administration: "Hen Has Laid an Egg. But a Very Expensive One!"]

[FBIS Translated Text]

Week's Prices: 27 September Through 4 October

In early October the inflation level, at 2.3 percent, was higher than the average weekly figures for the past seven months. Food products over the past week increased in price 1.8 percent, nonfood goods increased 1.9 percent, and paid services to the population 4.6 percent.

The increase for consumer goods and services in Moscow and St. Petersburg was lower than the average throughout Russia, being 1.5 and 1.8 percent respectively.

In organized trade the price increase for food was 2 percent. And on the markets, where there has been a seasonal reduction in prices over the past three months, prices have begun to rise—by 0.4 percent. A certain reduction in prices was noted only for fruit and vegetables. Prices for eggs soared again—by 6 percent—while sugar and vegetable oil prices rose 5 percent and prices for bread articles and salt rose 3 percent. Meat and dairy products, animal fat, groats, pasta, confectionery, flour, and vodka increased 2 percent in price.

The pace of food price changes differed by 2.8 percent between individual economic regions. Food became 3.4 percent more expensive in the Volga-Vyatka region. Here prices for vegetable oil, sugar, and eggs rose 10 percent and more while prices for bread articles and fish products rose 5-6 percent. In the Central Chernozem and East Siberian regions the change in prices was less than 1 percent.

The fruit and vegetable season is coming to an end and in early October prices on the markets rose in half of Russia's economic regions.

The average cost of a selection of 19 of the most important foods as of 4 October was 64,400 rubles [R] calculated on a monthly basis and rose 1.8 percent over the week and 111 percent since the start of the year. The cost of this selection at organized trade prices was R62,800 and at unorganized trade prices R79,200. The correlation of the cost of the selection at the prices of unorganized and organized trade was as always a factor of 1.3.

The discrepancy between the maximum and minimum cost of the selection in various Russian cities increased compared with last week and was a factor of 3.7 as opposed to 3.6.

The biggest difference in the selection's cost was noted between monitored cities of West Siberia—a factor of 2.7.

Among the economic regions the biggest increase in the selection's cost was observed in the Northwest Region (11 percent), where Russia's biggest increase in the cost of the selection—22 percent—was recorded in Novgorod. In Novgorod's stores over the week milk increased 130 percent in price, smetana increased 40 percent, and animal fat and vegetable oil increase 10 percent, as did rye and wheat bread, sugar, and eggs.

For the inhabitants of the West Siberian, Central Chernozem, and East Siberian regions the selection did not increase in price compared with the previous week.

The cost of the selection of 19 of the most important foodstuffs increased 2.9 percent in Moscow and 1.2 percent in St. Petersburg and as of 4 October was R74,000 and R66,600 respectively. Among the cities observed Moscow remained in 30th place while St. Petersburg moved from 37th to 36th place.

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Leading Cities in Terms of Cost of Selection of 19 Most Important Food Products in 1994 (in rubles, calculated per month per person)

Cities	4 October	Ranking as of 27 September
Russia as a whole	64,408	X
including:		
with maximum cost of selection		
Magadan	167,906	1
Yuzhno-Sakhalinsk	161,429	2
Yakutsk	127,919	3
Petropavlovsk-Kamchatskiy	127,467	4
Nakhodka	123,976	5
with minimum cost of selection		
Ulyanovsk	38,374	1
Gornyak	40,755	2
Balakovo	45,627	4
Lipetsk	45,812	5
Omsk	45,944	8

In early October prices increased at approximately the same pace for all groups of nonfood goods. There was a slightly bigger increase than for other groups of goods in prices for fuel—2.7 percent—including a 3.5 percent increase in gasoline prices. Among other industrial goods we should note a 3-4 percent increase in prices for children's goods and a 3-5 percent increase in prices for hosiery, wallpaper, and matches.

The increase in the cost of industrial goods was most tangible in the North Caucasus, where over the week cotton textiles increased in price 16 percent, and men's suits, women's shoes, detergents, wallpaper, and some types of crockery increased 5 percent and more in price. Prices for nonfood goods changed least of all in the cities of the Far East and Northwest regions—by 0.7-0.9 percent.

The difference in prices for the same nonfood goods is retained in various Russian cities—traditionally for fuel: coal by a factor of 429, timber by a factor of 369, and turf bricks by a factor of 78.

At the same time the smallest differentiation in prices for cultural and consumer goods recorded was a factor of 3-3.3 for refrigerators, television sets, and furniture. The most expensive television sets and refrigerators were sold in cities of Siberia and the Far East and the cheapest in the cities of the Urals and the European part of Russia. Thus, for instance, the maximum price for a television set last week was recorded in Salekhard—R1.5 million—and for a refrigerator in Petropavlovsk-Kamchatskiy—R1.2 million. The cheapest television sets were on offer to the inhabitants of Voronezh—R450,000—and the cheapest refrigerators were on sale in Orsk for R380,000.

New Chief Promises 'Transparent' Statistics

MM1810093394 Moscow TRUD in Russian 12 Oct 94 pp 1-2

[Interview with Yuriy Yurkov, chairman of Russian Federation State Committee for Statistics, by political observer Vitaliy Golovachev; place and date not given: "'It Cannot Be Measured by a Common Yardstick'"]

[FBIS Translated Text] Statistics are said to show everything. Only Soviet statistics showed not real life but a reflection in a distorting mirror, as it were. Much was not reported at all (the most important data, particularly in the social sphere, were classified), and some things were presented in a distorted light....

The new Russian state, freed from Marxist dogmas and show, needs a different statistical service. A year ago Yuriy Yurkov, a young, bold champion of full glasnost and a committed opponent of "secrecy," was appointed to the post of chairman of the Russian Goskomstat [State Committee for Statistics]. He is a tough breaker of stereotypes, surprising Goskomstat old-timers with new ideas and resolutely restructuring the cumbersome and inert machinery. The "Secret" and "For Official Use" stamps which used to be used generously to "decorate" many Goskomstat documents are now not used at all.

[Golovachev] Yuriy Alekseyevich, what do you yourself think: How reliably do the data provided by the Goskomstat reflect the real picture of our life?

[Yurkov] I would say that our materials have a very high degree of reliability today. Although only recently the situation was different. The point is that under the conditions of a transitional economy the traditional methods of gathering information no longer work.

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A fundamental question: Under the new conditions to what extent is it possible to trust the results of total statistical monitoring of economic players? Surely, in order to conceal real profit levels and avoid taxes, many plants and firms, particularly in the nonstate sector, resort to distorting cost indicators and indicate an understated price for their output or get out of providing data altogether. Typically, when we started monitoring the development of small enterprises over one-third (!) of them easily managed to "escape" our sphere of attention.

A fundamental difference exists between market and nonmarket statistics. The traditional "complete" accountability does not apply in a market economy. At best there are one-off censuses. As a rule, the register of "statistical units," which records the number of market agents, is the only full accounting instrument. As for economic indicators, they are mostly collected on a selective basis. This is what is important: The picture proves more accurate than with complete accounting.

Whether we like it or not, we will have to go over to such a system. Because it is impossible, purely technically, to preserve total accounting when "market agents" (and not state enterprises) are becoming the basis of the economy. Nowadays the number of market agents is doubling annually (there are now 2 million, but by the end of the year there will be 3-4 million). For comparison: In the United States the statistical register features approximately 15 million market agents. No statistical system in the world could "digest" such a volume. This is the very reason why we have begun a cardinal restructuring of the system of collecting and analyzing data. We use means and methods that are well known in world practice and in statistical science, including so-called "projection" ["doraschet"] of the most important economic indicators.

[Golovachev] But, judging from readers' letters, many believe that the Goskomstat embroiders reality and understates the rate of prices growth. When a woman who goes to the store every day sees how fast the prices of milk, vegetable oil, sugar, eggs, and bread are going up, no "clever" calculations will convince her that the rate of inflation is slowing down....

[Yurkov] Calculations are made over a wide range of goods: Some go up in price while others, for example vegetables, go down (by 17 percent during the first 27 days of September), so you end up with a generalizing, "synthetic" indicator. It reflects the average rate of inflation in the country. By the way, the reliability of Russian price statistics was officially recognized in 1994 by the IMF, whose specialists familiarized themselves with our methods in detail....

[Golovachev] These methods are well known, although in many poor families the food ration differs appreciably from the "standard" food basket on which your specialists calculate the growth in food prices. Fruit and vegetable produce, which has come down in price, accounts for over one-third of the cost of the official "basket." But the whole trouble is that poor people do not buy so much fruit and vegetables but eat more bread, milk, pasta, and vegetable oil, i.e. those products whose price is going up rapidly. It turns out that for these people prices grow far more quickly than the average statistical prices. So many people are indignant when they read official summaries. Would it not be more honest to calculate inflation also for needy citizens, particularly as there are 20-30 million of them?

[Yurkov] That is a correct formulation of the question, and we are working in this area. Methods are now being worked out to calculate the prices index for three groups of the population—the poor, the averagely well-off, and the rich. The general consumer prices index will, of course, be retained.

I am profoundly convinced that in such a vast country as Russia the average indicators must be complemented by a whole range of data characterizing the situation in the regions, in various sections of the population, etc. Take that same composite consumer prices index. In August it stood at 4.6 percent for Russia as a whole....

[Golovachev] But people everywhere give a different figure, citing the Goskomstat—4 percent....

[Yurkov] This is based on current data, whereas the figure based on more precisely defined data is 4.6 percent. Thus, despite such low average inflation, prices increased 20 percent in Novosibirsk Oblast in August, and 8-12 percent in Perm and Tomsk Oblasts and Khabarovsk Kray. Do you see the difference? Tell the people of Novosibirsk Oblast that the rate of inflation has fallen—it is clear in advance what reply they will give you.... In many parts of the country the growth of consumer prices is outstripping wages, while in the country "on average" wages are, conversely, growing faster. In short, Russia "cannot be measured by a common yardstick."

[Golovachev] When will the Goskomstat start calculating inflation separately for each of the three groups—the poor, the averagely well-off, and the rich?

[Yurkov] Before the end of the year we will finish investigating the structure of consumption by various groups, complete all the preparatory work, and distribute methods materials to the provinces, then we will start calculations in the new way in the new year.

I would like to emphasize that in all countries (including our own) the rate of growth of consumer prices proves higher for the poor population than the average for a given region. This is connected with the limited food ration in poor families, with their lack of monetary reserves and with the need to buy mainly those goods which are in greatest demand and, thus, whose prices increase faster. As the saying goes, things are always worse for the poor.... In the new year the statistics will reflect more fully the burdens of their life. This will help the power structures to formulate and adopt appropriate measures and will also eliminate many citizens' complaints against us.

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[Golovachev] The Goskomstat publishes monthly tables breaking down the population according to income: So many Russians have up to 40,000 rubles [R] per capita, so many between R40,000 and R60,000, etc. Some 46,000 family budgets are being investigated. But statistical investigations evidently miss out rich and superrich citizens, who for understandable reasons are reluctant to reveal the size of their income....

[Yurkov] No, they are not missed out. You understand, it is maybe more important for businessmen and bankers—in short, for business people—than for anyone else to have a clear picture of the population distribution according to income, to know the number of rich people, their purchasing power.... But, on the other hand, really nobody wants to reveal the size of his capital or to give his address. What is to be done? The way out has been found. Through associations of entrepreneurs and other associations of business people we are starting to obtain all the necessary information in an impersonal form, so to speak. No names or addresses, but all the rest is there.

[Golovachev] How many "ruble" millionaires do we have?

[Yurkov] At least 12-14 million people (taking both current incomes and savings into account). True, it should not be forgotten that R1 million at the present rate "weighs" less than $300.

[Golovachev] How many citizens have an average monthly income of R10 million or more?

[Yurkov] We do not yet have reliable data for the whole country, and so I can only reply conjecturally—several hundred thousand citizens.

[Golovachev] There should, however, be a more accurate picture with regard to the poor, should there not? I mean the numbers of the poorest people—those who do not have enough money even for the minimum food basket....

[Yurkov] There are, unfortunately, approximately 10 million such people. There were more, but their numbers have fallen over the past couple of months.

[Golovachev] You have removed the stamp of secrecy from almost all statistical materials, and you publish figures which are not very pleasant for the government—for example, on the vast army of the poor, on arrears in respect of wages, on production stoppages and the scale of the fall in production, on strikes.... What is the premier's attitude to this? Do you not feel any overt or covert pressure from "the top" suggesting that it is time you stopped publishing nonsense and negative facts...?

[Yurkov] There is no pressure. We not only have no intention of curtailing glasnost but, on the contrary, we will vigorously expand our publications. It is our aim that all "cross sections" of society, the economy, and our life in general should be "transilluminated" and be visible in detail. Everything must be transparent. Without this there will not be a free society, without it we will be unable to "recover" and emerge from the crisis.

[Golovachev] About the question of glasnost, incidentally. Why does the Goskomstat not publish the average wage in the ministries and departments? Is it secret?

[Yurkov] No, these documents carry no such stamp. But, obviously, this is one of several "negative" traditions which we have yet to overcome.

[Golovachev] The wages in ministries and departments are probably huge?

[Yurkov] I would not say so.

[Golovachev] And yet?

[Yurkov] OK, here is a recent summary. In Moscow, throughout the central apparatus of the federal organs of executive power, the average wage (taking into account payments of a social nature) stood at R378,000 in August. But the monthly wage averaged out over the year stands at R304,000.

[Golovachev] Then reveal another "secret"—how much does a federal minister receive now?

[Yurkov] The salary of the Russian Goskomstat chairman is R418,471. Taking all allowances into account—R795,094. Bonuses are also due. That is, the final figure is somewhere in the region of R1 million.

[Golovachev] And in commercial banks?

[Yurkov] I believe that an ordinary specialist there receives no less than the Goskomstat chairman. That is normal. The banks use the opportunity to recruit the best specialists to work. High qualifications must command a high price....

[Golovachev] According to official reports, Russians' real incomes are constantly growing. But it is not very clear how life can improve when production in the country fell for six months and has since stayed at a very low level, when the number of obvious and potential unemployed people has reached 9 million, and the wage arrears are approaching R4 trillion.

[Yurkov] A typical delusion. Whatever great significance the production sphere may have, it should not be absolutized. For 70 years, in accordance with Marxian theory, we regarded physical production as of paramount importance. It was believed that all material assets were created there, while other citizens were parasites, as it were. But this is not actually so. The teacher, the official, the journalist—every active member of society is of benefit.... We are now rapidly developing the services sphere (this is a positive factor), private initiative, the nonstate sector, trade ties with other countries.... Here is our own, specific commodity. In short, real incomes depend not only on the sphere of physical production. These incomes really are growing, as confirmed by the investigations of family budgets.

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[Golovachev] The picture of our economic life is greatly dependent on the shadow economy. Certain specialists believe that it equates to up 40 or even 100 percent of the "legal" economy by volume. Is the Goskomstat tackling this problem?

[Yurkov] Of course. I believe that we have more accurate data. According to estimates, the volume of the shadow economy (not the criminal economy associated with drugs, racketeering, etc. but the one where people "avoid" taxes) makes up 18-20 percent. Incidentally, even in determining GDP rounded-up figures [doschety] make up 18-20 percent of the final sum.

[Golovachev] Twenty percent is not very much for a shadow economy, is it?

[Yurkov] The largest shadow economy among the developed countries is in Italy, with 13 percent of the volume. But in our country it is 18-20 percent, which is very large.

[Golovachev] A final question. The statistical service is now being reorganized. What aims are you setting, and what do you want to achieve?

[Yurkov] Our present-day statistics are no longer "directive," but they are not yet market statistics either. We want them to correspond to the new market economy which is being created in the country.

I am sure that with the help of the new statistics we will open up the new Russia to Russians and to the world.

Evolution in Investment Policy Analyzed

954E0028A Moscow DELOVOY MIR in Russian 3-9 Oct 94 p 6

[Article by Mikhail Delyagin, Analytical Center under the Russian Federation President: "Through the Price Revolution—To the Investment Revolution"]

[FBIS Translated Text]

Exhaustion of resources for inflationary balancing of the economy

The cardinal slowdown in bringing domestic prices up to the level of world prices (in 1992 the purchasing power of the dollar declined by 5.1 times, in 1993—by 3.2 times, and for the first 8 months of 1994—by 7 percent) means that the elemental mechanism of structural reorganization of the economy has begun to stall.

A real worsening of the position of most of the ineffective types of production, on one hand, and the integration of sectorial "pressure groups" into the state apparatus on the other, have led to a situation whereby the tightening of financial policy is immediately compensated by the granting of state aid to ineffective types of production (in accordance with the decline in the exchange rate of the ruble). Thus, the tightening of financial policy has found its natural limit. Inflation has reached its possible minimum limit, objectively determined by the lack of development in the structure of the economy.

The ever difficult situation with curtailment of production, despite the stabilization of the decline (see Fig. 1); the deteriorating financial state of the enterprises (while in the first half of 1993 their funds covered the overdue indebtedness to suppliers, in the second half they comprised half, in the first quarter of 1994—one-third, and in the second quarter—one-fourth of the overdue indebtedness); the resulting indebtedness in labor wage payments (then again, its ratio in relation to the overall volume of funds credited for labor wage payments at enterprises having such indebtedness declined for July from 146 to 133.5 percent, which testifies to an easing of the acuteness of the problem); the continuously high (although growing rather slowly: from 10.4 to 12 percent for the first 7 months of 1994) potential unemployment; the formation of chronically depressed regions; the investment crisis (in January-July 1994 the capital investments in Russia comprised 73 percent of last year's level) on the background of stabilization of inflation and the exchange rate of the dollar (see Fig. 2) all testify to the fact that we have come to the situation where support of types of production which are nonviable, but still critically necessary for political stability, will become incompatible with holding down inflation within a politically acceptable framework.

If this moment arrives, the transfer of real power to sectorial and regional lobbyists will become most probable, most likely with the aid of cadre changes in the make-up of the government. The return to the unregulated disbursement of financial resources which this entails will lead to growth of prices by up to 20-30 percent per month and to a repetition of the situation of Fall 1992 on a new level (high inflation, lack of confidence in tomorrow, leaps in growth of the exchange rate of the dollar, growing political instability).

Unlike Fall of 1992, the inflationary blow-up will do little to improve the situation in production. The influx of cheap money will return the capital which is not being invested in production to the speculative sectors of the economy, and this will deepen the investment crisis. As a result, the structural reorganization will be implemented by means of the physical disintegration of the equipment of non-viable enterprises, while the new industrial potential of Russia will be formulated primarily by foreign capital (since domestic capital will remain predominantly speculative, as was the case in 1992).

In a rather short time this will lead to:

1) Domination not of domestic, but of foreign capital on the territory of Russia, and loss of economic sovereignty;

2) Strong social upheavals, primarily in the depressive regions, caused by disintegration of production;

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3) Establishment of an authoritarian regime, limiting human rights, for the purpose of maintaining social peace.

Such a development of events is fully realistic. So as not to allow it, it is necessary **to simultaneously hold down inflation and support production.** This is possible to do **only by means of increasing the effectiveness of the latter.**

RELIABLE MACROECONOMIC STABILIZATION IS ATTAINABLE TODAY ONLY BY MEANS OF THE DEVELOPMENT OF EFFECTIVE PRODUCTION. The capacities of financial levers have been exhausted: The volume of the money supply is close to being adequate. We must change its structure, in which there is a high relative share of cash money servicing short-term and non-state controlled investments, and a critical shortage of investments.

The present-day crisis bears an expressed structural character: The structure of supply, formulated by outdated industry, does not correspond to the structure of demand, which is determined by the "young," primarily trade-financial capital (it is specifically due to its operation that the relative share of services in the VVP [gross domestic product] exceeded 50 percent in 1993).

This demand is just beginning to formulate the production which is serving it, but is already depriving the "old," ineffective sector of the economy of its means for existence.

The conservative efforts, directed at maintaining the latter and dragging out its agony, are necessary. However, they will be implemented automatically, under the influence of lobbyists.

At the same time, these efforts are not enough to emerge from the crisis: The disintegration of ineffective sectors has been objectively determined. It may be delayed and attenuated, but it cannot be stopped or turned back. The primary task of the state is to create a new structure of social production which corresponds to the structure of demand of the "new," commercial capital.

World experience shows that the specific character of this commercial capital does not allow it to solve this problem independently. The state must stimulate and guarantee the efforts in this direction, so that private investments have time to absorb the manpower which is liberated in the course of disintegration of the old production base.

The accumulation of excess manpower, even on individual depressive territories, will evoke the need for its inflationary provision and will lead to socio-economic destabilization on an all-Russian scale.

Therefore, today the question of stimulating effective private investments is a question of the self-preservation of our society.

Survival through stimulation of investments

Basic mechanisms of stimulating investments.

All the successfully realized mechanisms for stimulating effective production are united by two vital traits.

The first is equality of all sectors and types of ownership. Only in this case will competition facilitate the development of truly effective types of production.

The second is that the state must go only where private capital already goes, and in the same manner. This is the only defense against ambitious ineffective projects, even though it remains inadequate as long as the intellectual potential of private business yields to its financial potential.

Physical volume of production (in percent of analogous period last year)

Key: 1 - January; 2 - March; 3 - May; 4 - July; 5- September; 6 -November; 7 - January; 8 - March; 9 - May; 10 - July; 11 - September; 12 - November; 13 - January; 14 - March; 15 - May; 16 - July; 17 - Total industry; 18 - Consumer goods.

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What, then, are the most effective directions of stimulating effective investments under conditions of present-day Russia?

The first is permission for commercial banks to invest part of their funds, necessarily held on reserve in the Central Bank, into the development of production. The selection of projects must be performed by the banks themselves, since it is their funds which are being spent, and the list of specific projects from which they may choose may be submitted by the state. The Central Bank, in turn, must control the purposeful character of funds expenditure and establish minimal requirements of profitability and repayability of such investment projects.

The second is the mandatory competitive distribution of all state investment resources.

The third is partial (up to 50 percent) crediting of investment projects. An important task of the state is the development of minimal requirements for banks acting as its investment partners, and control over adherence to these requirements. Understandably, the state may cooperate only with large banks, which have an impeccable reputation and perspectives.

The fourth direction of stimulating effective investments is a state guarantee of investment projects. Here too, the partial participation of the state is most attractive (otherwise bribed officials may lobby for an obviously ineffective project). However, the demands may also be milder, since unlike direct crediting, the granting of guarantees is not yet an expenditure of funds and does not lead to increase in the budget deficit. After all, the guarantees must be paid off only in the case of insolvency of the party for whom the guarantee is issued, i.e., only in case of disruption of the investment project.

Therefore, despite the relative complexity of guarantees, they are the most effective mechanism of stimulating investments. For example, if the risk of guaranteed investments is estimated at 10 percent, i.e., 10 percent of the guaranteed projects will most likely fall through, then a sum of 1 million rubles (R) may guarantee investments in the amount of R10 million—10 times more than with direct crediting. Another important fact is that the sum allocated for the guarantee is not involved in the investment process, and remains at the disposal of the guarantor (in this case the state) until the very end of the project. During all this time, it may be placed by the guarantor into commercial circulation and bring him profit.

In the present situation, where there is mistrust of the state by commercial structures, it seems expedient to broadly publicize the already outdated mechanism of creating a consortium of private investors who receive state (Minfin [Ministry of Finance]) guarantees of financing state investment projects. In this case, the consortium itself selects the projects in which it invests, from a list submitted to it by the Ministry of Economics.

Of course, a total state guarantee increases the risk of ineffective investments. However, mistrust of the state on the part of entrepreneurs makes the probability of large-scale abuse of even a 100-percent guarantee highly unlikely. After all, it demands risk from the state for the sake of attracting the cooperation of the private sector.

Only after winning the trust of the latter will it be possible to change over to more civilized forms of guarantees, primarily to private guarantees of specific projects.

Source of funds: Reorganization of the subsidization mechanism

It is understandable that money will be needed for the purpose of stimulating investments, if even exclusively

Ruble inflation and rate of growth in the exchange rate of the dollar

Key: 1 - January; 2 - March; 3 - May; 4 - July; 5 - September; 6 - November; 7 - January; 8 - March; 9 - May; 10 - July; 11 - September; 12 - November; 13 - January; 14 - March; 15 - May; 16 - July; 17 -Inflation; 18 - Growth of dollar exchange rate; 19 - According to Goskomstat [State Committee on Statistics] data

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with the aid of guarantees, as well as for the support of production, and especially for implementation of a bankruptcy program. How to get this money without increasing the budget deficit or preferential credits and the acceleration of inflation which is associated with it?

Increasing the tax burden "is not our method." It is incompatible with stimulation of business activity. Moreover, today an increase in the tax burden would lead not to the growth of state income, but to an expansion of the criminal economy.

A realistic step would be to bring about relative order in the state distribution of financial aid. Today this aid, which is dispersed in the form of benefits, subsidies and grants, goes to the enterprises through tens of the most varied channels, as a result of which no one, including the director of the enterprise, can evaluate the scope of the aid provided by the state.

As a result, benefits, subsidies and grants are given on a clearly excessive scale. And although their relative share in the VVP of Russia, according to the available data, has declined from about 30 percent in 1992 to 10 percent in 1993 (in significant degree due to reductions in support for the VPK [military-industrial complex]), nevertheless this indicator still remains comparatively high. Thus, in Eastern Europe the amount of state support in the second year of reforms comprised only 5 percent of the VVP.

Of course, the Russian economy is more greatly deformed that those of Eastern Europe, and the level of state support in it must be higher. However, a number of directions of this support, for example—aid to the successful fuel-energy complex (not coal mining!!)is nevertheless excessive.

As an example of the scope of benefits, we may point out the export tariffs: At certain moments the benefits on these tariffs reached 85 percent of their estimated volume.

The immediate reason for the surplus state support is the confusion in the channels through which it is granted, excluding the possibility of control over it. A simple inventory and regulation of these channels, not to mention granting aid only in exchange for fulfillment of specific agreements with the state, would expose huge volumes of irrationally utilized funds.

Of course, such work is impossible without a true "crusade" against organized crime, whose structures are merged with the mechanisms of state support. However, the available data give reason to believe that today's political situation allows us to perform the proposed inventorization and rationalization of the channels through which state aid is granted.

Long-term prospects for investments in Russia

One of the most promising commercial operations today is the conversion of foreign currency credits and investments to domestic ruble credits. The difference between the percentage rates on the world markets (from 3.5 to 17 percent) and in Russia (accounting rate of the Central Bank is 130 percent), coupled with the relatively slow growth in the exchange rate of the dollar, is capable to compensating both the risk of investments in Russia and the tendency of Russian businessmen to take our capital as guarantees of their personal future.

Of course, the financial sphere is rather conservative. In order to take cheap credits on the Western markets, it is necessary to have a high degree of authority and reliable guarantees. The instability in Russia hinders their receipt so greatly that today it makes the described mechanism inaccessible even to the most serious structures.

However, these structures have been engaging in the mechanisms of ensuring firm Western guarantees and attracting cheap currency credits for no less than a year now. We must recognize the fact that their long-term efforts will be crowned with success.

We must stress the exceptional profitability, and this means also the exceptional scope—of the upcoming operation. It will not simply lead to enrichment of individual persons, but will have a serious effect on the development of all of Russian society. After all, the free capital of the world economy, and especially its easily mobilized assets, are comparable to the entire monetary supply circulating on the territory of Russia.

And when, instead of the thin stream of random credits and investments which are directed by governments and independent brokers in a primitive manner, the powerful "currency vacuum cleaners" designed by specialists of the largest Russian and foreign structures go into operation, we will encounter a principle change in the entire economic and socio-political situation in Russia.

As a result of the conservative nature of the finance market, this change will be rather smooth, and society will most likely have time to adapt to its individual manifestations. However, the scope and depth of the effect to which Russia will be subjected makes it necessary to foresee at least its basic consequences, which should not catch us unaware, as, for example, the catastrophic exacerbation of the deficit (suppressed inflation) associated with the mass re-channeling of non-cash money into the wage fund caught us unaware in 1988-1990.

The consequences of significant volumes of practically free (at the initial stage) money coming into Russia along commercial channels seem obvious. These are the decline in the market interest rate, the easing of the non-payments crisis and its transformation exclusively into a question of payments discipline and economic improvement of the comparatively small number of totally non-viable productions and, finally, the growth of business activity, including a new intensification of trade and an overcoming of the investment crisis.

At the same time, the effectiveness of investments will be increased—through the commercial character of their

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growth and retention by Western investors of control over the utilization of the funds. In addition, the reduction of the interest rate will stimulate commercial investments in the production sphere.

The described process of growth of investments signifies a structural reorganization, leading to a reduction in the structural component of inflation and a general extinguishing of the inflationary processes.

Thus, the action of the "currency vacuum cleaners" would become the most important instrument in overcoming the economic crisis, and the main means of Russia's rebirth as a great power. They must be supported by the state, up to the creation of funds for political insurance of foreign capital invested in Russia.

* * *

The investment revolution, caused by the influx of foreign capital, will be realized only in the case of preservation of stability and stable improvement in the socio-economic position of Russia. And this, as we have seen above, is possible only in the case of successful and large-scale stimulation of effective investments.

The resolution of this problem, under which we cannot count on anyone's significant help, thus becomes critically important for the entire future of Russia.

Evidently, it is closer than is generally believed. According to the available data, foreign capital already at the present time has established control over a significant part of the Russian confectionery, tobacco, beer and tricot industries.

An analysis of Russia's balance of payments allows us to judge the scope of the hidden investment of foreign capital in the Russian economy (direct investment is associated with the need for resolving an entire series of legal, bureaucratic and criminal problems) implemented in a number of cases through Russian middlemen.

Positive values of the balance indicator for "errors and omissions," characterizing also the illegal operations with capital (in the first quarter of 1994 "plus" $318 million versus "minus" $2 billion in the analogous period last year), are evaluated by certain authoritative researchers as evidence of the beginning of the return to Russia of capital which was illegally taken out of the country in preceding years.

The entry of privatization into the monetary ("post-voucher") period may be cited as a reason for this return. According to available estimates, one of the main channels of legalization of imported capital is the rapidly growing import of cash currency into the country: While for all of 1993 the net influx of cash currency comprised $5.5-$5.7 billion, in the first quarter of 1994 alone it reached $4.2 billion.

The structure of utilization of the imported currency is significant:

—An increase in surpluses in currency banks—2.4 percent;

—Declared small import—14.3 percent;

—Undeclared small import—21.4 percent;

—Increase in currency accumulations outside of banks (including the population)—61.9 percent.

It is understandable that currency accumulations are used either for playing the currency market (whose effectiveness, with the exception of short-term periods of time, is reduced and has been rather low already in the first quarter of 1994), or for placing "in the moneybox," or investing in the Russian economy in one form or another.

According to the estimates of specialists within Russian investment structures, the total (legal and illegal) influx of foreign capital into Russia comprised no less than $1 billion per month during the summer of 1994.

Prime Minister Shokhin on Recent Edicts

944E1214A Moscow DELOVOY MIR in Russian 22 Sep 94 p 1

[Report on press conference given by Deputy Prime Minister Aleksandr Shokhin, by DELOVOY MIR correspondent Vladimir Zhuravlev; place and date not given: "Aleksandr Shokhin: The Engine of Innovation Is the Fifth Ruble"']

[FBIS Translated Text] **Deputy Prime Minister Aleksandr Shokhin held a press conference in which he reported on the package of economic edicts Russian Federation President Boris Yeltsin signed in Sochi during the meeting with Viktor Chernomyrdin.**

Being one of the authors of these edicts, Aleksandr Shokhin explained that what we have here are operational decisions aimed at overcoming the nonpayments crisis and activation of investment processes...

In the deputy prime minister's opinion, the nonpayments problem has many aspects, and is not limited to goods producers and consumers but also stems from the imperfection of the arbitration mechanism. In order to have arbitration involved in the resolution of a dispute, a fee equal to 10 percent of the claim amount has to be paid. Not only large joint-stock companies but also medium-size and small businesses frequently cannot afford this kind of money these days. So they get busy: Some enter barter deals bypassing the tax inspectorate, some openly choose the road of crime.

The deputy prime minister dwelled in detail on the edicts on private investment in the Russian Federation and financial leasing. The thrust will be toward not priority directions per se but the most effective projects. The government guarantees support to concerns, joint-stock companies, and other producers of goods by adding a fifth ruble to each four invested. Methods of identifying "elite projects" have been worked out, which should rule out

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bureaucratic arbitrariness and lobbying. This will bring order to taxation, accelerate adaptation to the market, and help solve social problems—in particular, reduce unemployment. Among the proposals are competitive distribution of investment and bonuses to leading projects totaling 0.5 percent of the gross domestic product, as well as providing credit for winning investors for two months, both in rubles and in hard currency, which will become a government guarantee in kind. Other preferences also are envisaged—for instance, the possibility of selling some of the state-owned stock to investors or other persons. The edict on financial leasing is a supplement to draft laws on leasing and leasing relations. It envisages stimulation of leasing and its regulation.

Journalists asked Aleksandr Shokhin many questions, including about the draft law on the temporary procedures with respect to the consumption fund. I want to note that this issue is of concern literally to everybody. Not accidentally, a few days ago I witnessed a discussion that broke out at the meeting of the Russian trilateral commission on regulation of social and labor relations supervised by Deputy Prime Minister Yuriy Yarovoy. Speaking at this meeting, commission member Igor Shchurchkov, chairman of the State Committee on Industrial Policy, cited these facts. The average wage in industry as a whole is R170,000, but in the fuel and power generation sector it is R1.5 million. Why? The hydroelectric and nuclear power stations were built by the entire country, and now, by jacking up prices for their output, the fuel and power generation sector lives better than others. Actually, other examples may be cited as well, where enterprises skip payments to the budget and instead use the money to increase the payroll fund and social sphere at the expense of production needs. The Russian Federation president's edict, which demands regulation of this issue, has already gained supporters. Without getting into polemics. Aleksandr Shokhin urged everyone to attentively read the edicts, which, because of failure to understand their content, are being incorrectly interpreted by both opponents and members of the democratic camp.

Discussion on Impact of Inflation

944E1214D Moscow DELOVOY MIR in Russian 22 Sep 94 p 4

[Article by DELOVOY MIR commentator Moisey Gelman: "Higher Inflation: Good or Evil?"]

[FBIS Translated Text] As is known, the market is an agreement between the seller and the buyer on exchanging goods. First and foremost, the price. The agreement will be as the partics wish it to be. To their mutual benefit. The selling price of an item may even be below its production cost. So that the seller can get the money back quickly and put it to work faster, more than compensating for temporary losses. That is why, for instance, seasonal clearances of unsold consumer goods are held in foreign countries. It costs more to keep the goods.

Freedom of prices the and freedom to agree on prices are far from identical notions. Especially in the condition of monopolization of the market by a producer. This is why in developed countries with market economies the fight is not against a monopolistic producer but against his attempts to unilaterally dictate his conditions in the marketplace; this is done by regulating and limiting prices, if the latter is not done voluntarily. Thus, the impact of an absent competitor is imitated. Cartel agreements are widespread abroad today. Especially in the sphere of mass production. Because they understood a long time ago, in the 1930's, that in order to avoid chaos, production of goods needs to be balanced and correlated with demand. Which is impossible without a balance of prices, and hence, their regulation. On top of that, "over there" lowering prices is encouraged in every way, because it leads to a higher velocity of money and increase in goods production. We do exactly the opposite. However, by now enterprises, pushed by the nonpayments crisis to the church porch where nobody gives them handouts anymore, after numerous trials and errors are trying on their own to build true market relations. By agreement. Since agreement is one of the forms of regulating prices. However, while in the past the subjects of our market was provoked by freedom of prices into unfree relations between them, now an attempt is being made to prevent the freedom of agreement... by keeping prices high. This is the aim of the president's recent Edict No. 1677 "On Adjusting Current Procedures for Calculating Taxes on Profit and Value-Added Tax."

The Price of Imposed "Freedom"

Having experienced themselves that self-agitation of prices in our economy leads to a further devaluation of working capital (enterprises have only one-third of the needed level this year), a snowballing nonpayments crisis, and hence, final demise, some enterprises began, within their ability, mutual clearing of debts. And, as an extension, buying and selling on a mutual compensation basis, that is, moving to clearing transactions, which allows them to exclude from the production cost or reduce expenditures in the price structure for the exchanged components of finished products.

Generally, which selling price to set is the business of the buyer and seller. They may set it even below the production cost. However, the aforementioned presidential edict de facto prescribes penalties for this. An additional fine "in the amount of the reduction of proceeds (receipts), and its head is subject to an administrative fine..." is levied on an enterprise that has conducted a normal market transaction by selling the goods below production cost but in doing so violated the quasi-market edict. The exception is made for products which the enterprise has been unable to sell in the marketplace "over a long (?) period of time," but only provided that this "resulted in the deterioration of the consumer quality of the product and that the current market prices for analogous products are established to be below this production cost." On top of that, in order to sell one's damaged product at below production cost one has to first notify the territorial tax body. I am curious as to how far a product has to deteriorate to be considered

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damaged? What about perishable goods? Should they wait until such a resolution of their fate? Many inedible products, however, may be stored for years. The roof over them may rot before they perish. What can one do in this case if one wants to get at least some money back?

Such is the logic of freedom of market relations being imposed on us. But while the edict under discussion practically pushes the producer into ruining his product in order to sell it below cost, no relief is offered with respect to barter and clearing. In keeping with the edict, the taxes on profit and VAT calculated in such an exchange of goods are "based on the average price for analogous products (services) sold over the past month," and if none have been sold, then "based on the most recent price, but not below cost." With respect to the average price, selling prices for analogous products "over the past month" may be considerable, bringing the average arithmetic price considerably up as compared to cost. And then taxes become penalties. The same will happen in using the "most recent price." One consolation is that violating the edict sometimes may cost more. It is no secret that its appearance was caused by the desire to collect as much tax revenue as possible. To achieve this, prices should not be allowed to decline. However, at current prices most products remain unsold because of the low solvent demand, and therefore the nonpayments crisis and sales in keeping with the edict will increase. Not too many will want to trade at a loss, however, and on top of that pay fines—cleverly called taxes—for doing this.

The Essence Is Anti-Market

It should be emphasized that the edict for all practical purposes is aimed against the emerging cartel agreements. In particular, it torpedoes in many respects the recently signed general agreement between the Ministry of Railroads, the Ministry of Fuel and Power Generation, the Russian Federation Committee on Metallurgy, the Unified Power System of Russia all-Russia joint-stock company, and the state enterprise Rosugol on joint actions aimed at stabilization of prices and reduction of mutual nonpayments by establishing preferential prices, including below production cost, through mutual compensation. To put it simply, they agreed on a clearing in order to avoid pushing money back and forth and pushing prices up artificially. On the basis of the general agreement, the first regional agreement has already been signed between the Kemerovo Railroad, Kuzbass coal enterprises, Kuzbassenergo, and the Orsk-Khalilovsk, Kuznetsk, and West-Siberian metallurgical combines. They are asking the government not to apply the edict to them.

This edict is the result of the current defective tax system, the principles of which are in conflict with the development of a market economy. This system hampers the integration of capital, combining enterprises within technological chains, and the introduction of normally lower transfer prices. Because all this leads to a decreased number of market subjects, and hence a reduced base for VAT. This is apparently the reason why the labor force of financial-industrial groups currently being created is limited to 25,000. At the same time, the current tax system in its current state of the economy makes lowering prices unprofitable for the government. Therefore, objectively the authorities are interested in rising inflation (prices). Remarks by some officials provide testimony to this. They maintain that the 1994 budget was put together on the assumption of higher inflation (approximately 15 percent) than transpired in reality. Therefore, they say, the budget will receive less revenue, that is, taxes, and as a result the Ministry of Finance will be unable to finance all the budget appropriations.

Why the plan for high inflation was not fulfilled is a topic for a separate conversation. What they do, however, in an attempt to fill the budget, is try to preserve and enhance all the principal shortcomings of the current taxation. The edict under discussion is aimed at the same goal. On its basis the government is expected to draft and present for the consideration of the Duma a draft of a corresponding federal law. Will they be able at the same time to resolve the principal contradiction between the current tax policy and the proclaimed market relations?

One of the ways out of the current situation is to principally change the taxation with the purpose of stimulating expanded production while reducing production cost and product prices.

P.S. Next year's draft federal budget is currently in the works. We hear that it is based on the assumption of monthly inflation of... 3 percent. Obviously, whoever is putting it together hopes that inflation will be higher and budget revenue presumably will be greater. But production of goods and distribution of products are being folded. Therefore, the revenue will be illusory. Because rising prices mean the declining purchasing capacity of the ruble, which will cause an increase in budget expenditures. In order to cover them, the tax base will need to be increased. How? As prices go up, enterprises' working capital evaporates and they have nothing to live on. Let alone fill the budget with tax revenue. In reality, in order to support this balance, inflation or deflation of prices must be corrected by indexing working capital, salaries, pensions, taxes, and budget expenditures... Then errors in forecasting inflation will not get in the way of budget execution, and lowering prices will not require propping them by presidential edicts.

50 Percent of Citizens Live on Below-Average Salaries

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[FBIS Transcribed Text] Twenty-six percent of Russian citizens, or 38.5 million out of the total of 148.4 million, have to survive on less than 100,000 rubles a month. Their incomes add up to just 40 percent of the average wage, 207,500 rubles in the first half of the year.

The Labor Ministry's statistics show that another 26.1 million Russians receive less than 28 percent of the average wages, the official poverty line.

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Report on Living Standard, Consumer Goods

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[Unattributed article: "The Standard of Living and the State of Russia's Consumer Market"]

[FBIS Translated Text] In early 1994 there was a continued trend toward growth in public income, which outstripped consumer price changes. According to an estimate by the Center for Economic Trends, during the first quarter real disposable monetary income throughout the country had increased by 13 percent in comparison to the corresponding period in 1993. The public's buying power increased. Russian residents began consuming considerably more dairy products, eggs, sugar, and confectionery items.

At the same time, society continued to be stratified according to income, intensifying contrasts between conditions and quality of life for people in various social groups. In March the average real per capita income among the wealthiest 20 percent of the population increased by a factor of almost 1.5 over March 1993. The same size segment of the population with the lowest per capita income saw its income level remain unchanged.

The wealthiest 10 percent received almost 30 percent of all income, while the poorest 10 percent received only 2 percent. The ratio of these social groups' income levels was 12.3 (in March 1993—8.4). According to projections, this gap will be in excess of 14 times by June of this year.

One of the main reasons for social stratification among citizens is the widening wage and salary gap. At present the segment of the population with the highest income is comprised mainly of individuals working in banking, sales, etc. During the latest period their pay has considerably outstripped the rate of inflation. At this time pay for persons employed, for example, in lending and social insurance is almost 2.5 times greater than the average (in health care, education, science, and culture average pay is even lower—roughly 0.8 percent of the average throughout the economy). The structures in question also have other ways of improving their employees' financial by providing manufactured goods and food on favorable terms, and by paying for various services, etc.

The poverty level remains high. According to figures from the Russian Federation State Committee for Statistics, at the beginning of 1994 roughly one-third of Russia's residents had income below the minimum standard of living.

The rapid increase in income among the wealthiest segment of society is widening the gap between the level and quality of life for the wealthiest and the poorest segments of the population. For example, in families with the lowest income, consumption of meat products is less than in high income families by a factor of 1.5; consumption of eggs and fruit is less by a factor of two, and fish consumption is lower by a factor of almost four. However, they consume many more bread products and potatoes. Furthermore, poorer families spend the greater portion of their income on food.

One factor in the creation of poverty is increasing unemployment. At the end of March 1994 the total number of unemployed persons registered with the employment service was 1,080,000. Another serious social problem is widespread latent unemployment (incomplete workdays or work weeks, or wages paid at minimum rates).

During the first quarter of 1994 there was a trend toward restoration of the physical volume of retail trade turnover. In comparison with the first quarter of last year, that volume increased by 2-3 percent. The retail trade network was increasingly saturated with consumer goods. Whereas in March 1993 the coefficient of food product saturation was 61 percent, in March 1994 it was 84 percent. The corresponding figures for non-food items were 79 and 91 percent, respectively. The assortment of goods offered has become increasingly diverse. However, the available assortment is selected without consideration of the country's intensifying property stratification: stores continue to receive products aimed at the average customer, while cheaper products, the most basic items and products for children, are intensively "washed out" of production.

As indicated by data from a selective survey of business activity conducted among 4,200 sales enterprises during the first quarter of 1994 in 34 regions of the Russian Federation, roughly two-thirds of them did not take into consideration the specific nature of demand and buying power among specific segments of the population. Only 1 percent of the enterprises surveyed targeted the high income consumer, while only 5 percent focused on low income consumers.

Roughly two-thirds of the enterprises surveyed had direct connections with industrial and agricultural enterprises in their area of operations, and one-third also had connections with enterprises in other regions of the country. Approximately 40 percent of the enterprises received products via local intermediary companies, and almost one-fourth did so via companies in other regions of Russia. Roughly the same percentage of enterprises cited wholesalers as a product source. More than one-fourth of them received products from legal and physical persons in the near and distant abroad. Approximately two-thirds of sales enterprises obtained product resources through the activities of private individuals.

(The following tables are based on information from the Russian Federation Government Center for Economic Trends.)

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Table 1: Distribution of Population by Average Per Capita Money Income Level, in Constant Prices (March, by Year)

Average Per Capita Income, Rubles	1993		1994 (in March 1993 Prices)		Increase	
	Millions of People	Percentage of Total	Millions of People	Percentage of Total	Millions of People	Percentage
Entire Population	148.1	100.0	148.0	100.0	-0.1	—
Under 5,000	8.5	5.7	6.5	4.4	-2.1	-1.4
5,001-10,000	41.9	28.3	33.8	22.8	-8.1	-5.5
10,001-15,000	40.4	27.3	26.7	18.0	-13.7	-9.2
15,001-20,000	25.7	17.4	27.1	18.4	+1.4	+1.0
20,001-25,000	14.7	9.9	14.3	9.7	-0.4	-0.3
25,001-30,000	8.1	5.5	13.1	8.8	+5.0	+3.4
Over 30,000	8.8	5.9	26.5	17.9	+17.8	+12.0

Table 2: Distribution of Population by Average Per Capita Level of Nominal Money Income (By Year), as a Percentage of the Total

Average Per Capita Income, Rubles	1993				1994	
	March	June	September	December	March	June (Projected)
Under 10,000	35.0	6.3	0.7	0.2	0.2	0.1
10,001-20,000	44.7	29.8	8.8	1.6	1.2	0.7
20,001-40,000		44.6	34.2	10.2	7.5	4.6
40,001-60,000			26.0	15.4	11.9	8.1
60,001-80,000			14.3	15.3	12.7	9.6
80,001-100,000			7.4	13.0	11.7	9.7
100,001-120,000				10.4	10.0	9.0
120,001-140,000				8.0	8.3	8.0
140,001-160,000				6.0	6.8	7.0
160,001-180,000	20.3			4.6	5.5	6.1
180,001-200,000		19.3		3.5	4.4	5.2
200,001-220,000			8.6	2.6	3.5	4.4
220,001-240,000				2.0	2.9	3.8
240,001-260,000				1.5	2.3	3.2
260,001-280,000				1.2	1.9	2.7
280,001-300,000				0.9	1.5	2.3
Over 300,000				3.6	7.7	15.5

Table 3: Structure of the Consumer Market (By Year), as a Percentage of the Total

Consumer Market	1992	1993	1st Half, 1994 (Projected)
Organized, and service sector	86	84	83
Unorganized, including city markets	14	16	17

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Table 4: Distribution of Nominal Income Among 20-Percent Segments of Population With Various Levels of Income (by Year), Percentage

Segment	1993				1994	
	March	June	September	December	March	June (Projected)
I (least income)	7.6	7.5	7.0	6.2	5.7	5.4
II	12.3	12.1	11.6	11.3	10.8	10.3
III	16.8	16.5	16.0	16.2	15.6	15.4
IV	22.8	22.2	22.0	23.2	22.9	23.1
V (most income)	40.5	41.7	43.4	43.1	45.0	45.8
Income concentration coefficient (Ghini's coefficient)	0.316	0.325	0.344	0.355	0.375	0.387
Ratio between levels of average per capita income for 10 wealthiest and 10 poorest percent of population, in multiples	8.4	9.0	10.2	11.4	12.3	14.5

Table 5: Structure of Consumer Expenditures (By Year), Percentage

Consumer Prices	1993		1994	
	Quarter			
	1st	2nd	1st	2nd (Projected)
Food	46.0	45.8	46.0	46.3
Non-food items	43.6	42.0	42.7	42.0
Including:				
Fabrics, clothing, footwear	24.8	22.0	23.2	23.0
Furniture, other household items	6.8	7.2	7.2	7.1
Cultural items	3.4	3.7	3.8	3.8
Alcoholic beverages	3.3	2.9	2.4	2.3
Services	7.1	9.3	8.9	9.4
Of which, municipal services	0.9	1.0	1.5	1.8

Table 6: Average Monthly Consumption of Basic Food Products in Russia (By Year), in Kilograms Per Capita

Food Product	1993		1994	
	Quarter			
	1st	2nd	1st	2nd (Projected)
Meat and meat products	5.6	5.2	5.4	5.0
Meat and dairy products	22.7	29.0	23.6	26.5
Eggs (number)	22	31	24	29
Bread products	10.6	11.0	10.9	11.3
Potatoes	10.5	10.6	10.6	10.7
Vegetables and cucurbits	6.0	5.3	5.9	5.2
Sugar and confectionery items	3.5	3.7	4.2	4.0

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Table 7: Dynamics of Retail Trade and Services, Including the Unorganized Consumer Market, Percentage

Quarter	Compared to the Corresponding Period of the Previous Year, in Comparable Prices
1993	
1st	112
2nd	109
1st—2nd	110
3rd	99
1st—3rd	104
4th	99
1st—12th [sic]	102
1994	
1st	99
2nd (projected)	100
1st—2nd (projected)	99-100

Table 8: Retail Supply of Goods (By Year), Percentage

Item	Saturation Coefficient				Saturation Index Relative to Corresponding Period of Previous Year			
	1993			1994	1993			1994
	March	June	December	March	March	June	December	March
Total	67	68	76	87	131	121	126	116
Food	61	61	71	84	127	120	128	117
Meat products	73	72	81	86	109	120	134	114
Dairy products	68	73	72	80	111	107	118	118
Butter	95	100	98	99	103	101	120	104
Vegetable oil	94	92	93	100	152	111	117	106
Eggs	97	96	95	98	105	99	102	102
Granulated sugar	83	92	100	100	138	110	125	120
Confectionery items	84	78	90	95	145	122	126	114
Tea	90	93	98	95	158	131	128	106
Grain products	52	57	60	77	133	133	127	115
Potatoes	99	87	97	95	117	143	104	95
Vegetables	72	46	89	76	118	94	114	106
Vodka	94	90	99	99	131	122	109	106
Non-food	79	81	86	91	132	121	121	113
Including:								
Sewn goods	78	79	84	95	116	110	120	112
Knit goods	71	80	86	89	109	119	125	126
Hosiery	93	93	97	98	129	112	113	105
Footwear	74	81	87	90	185	142	131	122
Matches	96	95	95	99	133	114	103	103
Tobacco products	82	86	90	96	222	187	118	117
Floor model refrigerators with semiautomatic defrost	68	69	79	88	194	186	247	130
Color television sets with 61cm diagonal screens	85	79	84	89	155	125	166	105
Gasoline	98	97	98	100	108	102	101	102

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The above calculation is based on information from monthly observations by Russian Federation State Committee for Statistics agencies of changes in the prices of basic food and non-food items at a selected network of stores (not including hard-currency stores) in 132 cities. The saturation coefficient is calculated as an average of the ratio between the number of cities where at the moment prices were recorded the item was available and the total number of cities included in the study. This index does not take into consideration the availability of products at city markets and informal markets. The saturation index is defined as the ratio between saturation coefficients for the corresponding periods. In March of the current year this index was calculated with consideration for the comparability of the product assortment.

Table 9: Purchasing Power of Money Income (By Year), Average Monthly Per Capita Income Divided by the Price of Specific Products

Product	1991	1992			1993			1994	
	Dec	Jan	Mar	Dec	Jan	Mar	Dec	Jan	Mar
Food products, kilogram									
Beef, first quality	48	13	21	50	24	29	50	39	51
Boiled sausage, first quality	53	11	20	39	23	24	36	28	33
Sausage, smoked, first quality	25	7	13	26	15	17	26	21	25
Butter	47	7	14	25	14	15	42	31	37
Vegetable oil	147	61	49	56	36	49	79	64	89
Pasteurized milk, 3.2-3.5 percent fat, liter	966	369	425	507	298	310	403	277	310
Sour cream	162	19	32	61	37	47	72	51	59
Cheese, hard rennet	69	13	13	29	14	15	40	28	26
Chicken eggs, 10	199	53	103	138	85	111	148	98	132
Granulated sugar	248	73	79	83	59	76	150	133	200
Rye-wheat bread	1,090	414	657	458	353	516	579	399	479
Wheat bread, first and second quality	835	319	447	364	278	429	392	288	339
Vermicelli	357	90	95	157	114	168	201	156	173
Potatoes	349	253	232	332	211	341	440	322	405
Cabbage	337	216	184	381	225	325	337	260	258
Onions	134	104	131	312	219	328	201	159	169
Apples	80	45	37	92	48	71	121	98	138
Non-food products, per unit									
Women's light overcoat, part wool fabric	1.2	0.7	0.5	1.5	0.9	1.0	1.7	1.4	1.9
Children's synthetic fabric jackets, lined	11	4	3	4	3	4	6	5	7
Girls' dresses, part wool fabric	12	6	7	22	15	14	14	11	13
Men's standard half-boots, pair	4.8	1.8	1.6	2.5	1.5	1.8	3.1	2.5	3.5
Women's low-heel shoes or flats, lined, pair	3.5	1.3	1.2	1.0	0.7	1.0	1.4	1.1	1.6
Floor model refrigerators with semiautomatic defrost	0.8	0.3	0.12	0.18	0.11	0.13	0.26	0.21	0.29
Color television with 61cm diagonal screens	0.35	0.12	0.10	0.17	0.11	0.13	0.28	0.22	0.28
Tobacco products (cigarettes), pack	231	114	170	123	96	144	304	234	323

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